

El Dorado County Economic Forecast

El Dorado County is located in the Sacramento Valley, east of Sacramento County, and south of Placer County. It shares its eastern border with the state of Nevada. The Sacramento Valley (consisting of Sacramento, Yolo, Placer, and El Dorado Counties) is one of the fastest growing regions in California. El Dorado County has a population of 173,400 people and almost 49,300 wage and salary jobs. The per capita income in the county is \$38,220, and the average salary per worker is \$36,460.

Employment growth in Northern California was unimpressive in 2004, due principally to the weak Bay Area economies, especially the labor market. While employment in the Bay Area declined by 1 percent last year, employment in the Sacramento Valley grew by 1.3 percent. In 2004, 830 total wage and salary jobs were created in El Dorado County, representing a growth rate of 1.7 percent. Non-farm employment grew at the same rate. The unemployment rate declined to 4.8 percent in 2004.

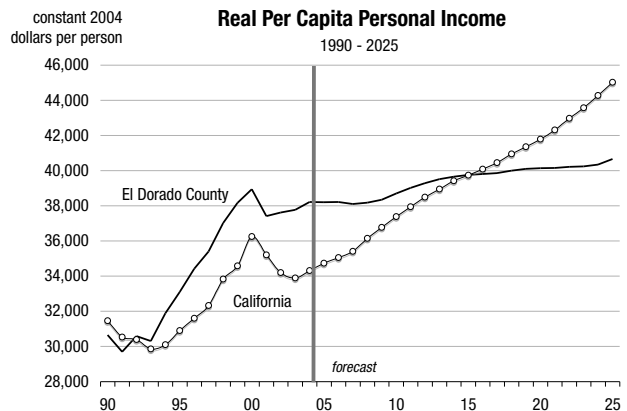
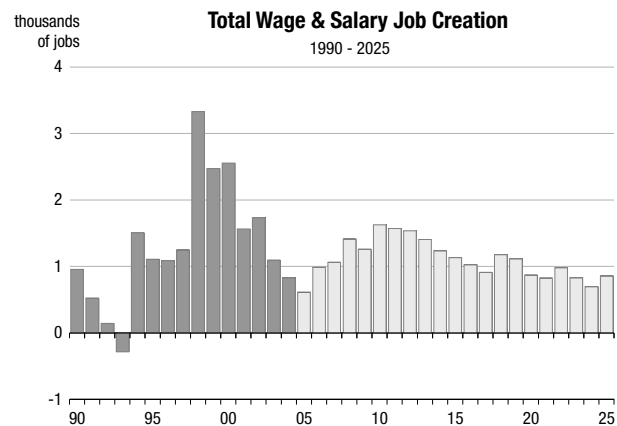
The principal sectors that are producing jobs are professional services, education and healthcare, and retail trade. Unlike many other California counties, employment in manufacturing increased marginally in 2004.

The population continues to grow in El Dorado County, and the growth rate is just under 2.0 percent. The only two incorporated cities in the county are Placerville and South Lake Tahoe, and they grew 0.7 and 0.5 percent respectively last year.

Employment and population growth will continue at above average rates in El Dorado County over the next several years. Inland counties, like El Dorado County, will dominate growth in the state due to the relative affordability and higher production of homes. However, home prices are now rising sharply in the county, and that may hinder growth over the next several years.

Forecast Highlights

- Non-farm job growth is forecast to decline in 2005 to 1.2 percent. Job growth is expected to increase over the next five years, with non-farm employment increasing an average growth rate of 2.4 percent per year.
- Average salaries adjusted for inflation are currently well below the California state average, and will remain so over the foreseeable future. Average salaries adjusted for inflation are expected to rise an average of 0.8 percent per year over the next 5 years.
- Over the next five years, the momentum for employment growth remains in professional services, leisure services, and education and healthcare services. These sectors account for 77 percent of all jobs created in the county over the next five years.

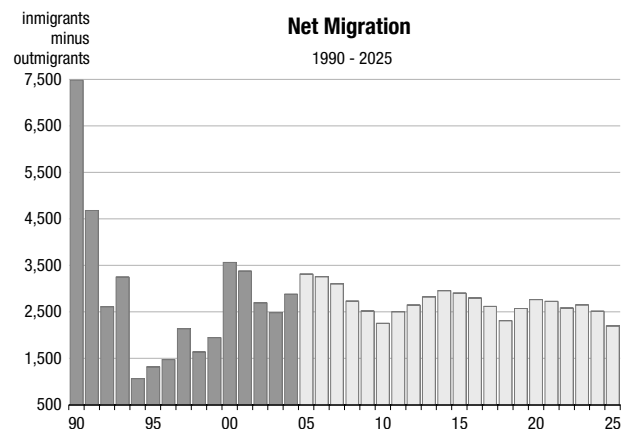
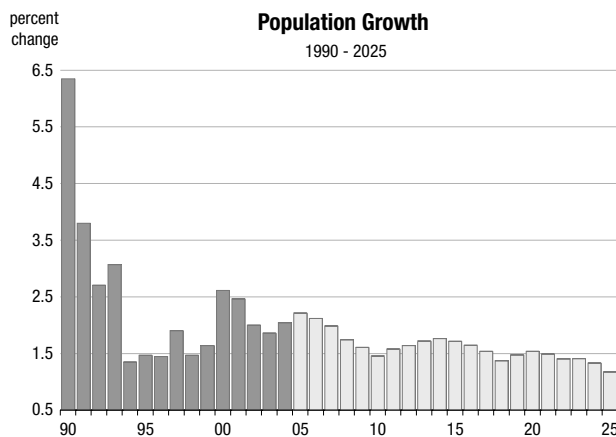


- Population growth will increase to 2.2 percent in 2005. Annual growth in the 2005 to 2010 period averages 1.8 percent per year.
- Net migration will increase to 3,300 people in 2005. Over the next five years net migration is expected to decline from current levels to an average of 2,800 net migrants per year.
- Population is growing faster than income in El Dorado County. Consequently, inflation-adjusted per capita incomes are expected to decline marginally in 2005. Over the next five years real per capita incomes are forecast to increase at an average rate of 0.3 percent per year.
- Industrial production is forecast to increase 3.1 percent in 2005. Over the next five years the growth rate of industrial production will increase, with total industrial production rising 5.4 percent per year.

El Dorado County Economic Forecast

1995-2004 History, 2005-2025 Forecast

	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (billions)	Unemploy- ment Rate (percent)
1995	144,900	1,316	151.1	52.0	880	\$0.9	\$3.7	\$33,091	2.0	19.6	0.26	6.9
1996	147,000	1,472	154.1	52.8	1,486	\$1.0	\$3.9	\$34,424	2.3	27.6	0.26	6.2
1997	149,800	2,138	148.1	53.6	1,079	\$1.0	\$4.3	\$35,396	3.4	28.7	0.27	5.4
1998	152,000	1,638	159.2	54.7	1,172	\$1.0	\$4.7	\$37,018	3.2	22.5	0.30	5.0
1999	154,500	1,944	165.8	55.6	1,435	\$1.2	\$5.1	\$38,170	4.2	22.7	0.35	3.9
2000	158,542	3,563	177.5	58.9	1,562	\$1.3	\$5.6	\$38,939	4.5	26.7	0.42	4.1
2001	162,455	3,376	188.4	59.8	2,174	\$1.4	\$5.8	\$37,409	5.4	26.7	0.37	4.1
2002	165,708	2,696	195.1	61.1	1,947	\$1.5	\$6.1	\$37,616	1.6	30.8	0.38	5.0
2003	168,791	2,485	197.7	62.4	1,939	\$1.5	\$6.3	\$37,774	1.8	43.2	0.42	5.3
2004	172,244	2,875	199.4	64.0	2,196	\$1.7	\$6.6	\$38,219	1.2	49.9	0.45	4.8
2005	176,057	3,313	202.6	65.5	2,123	\$1.7	\$6.8	\$38,200	1.7	53.6	0.46	4.6
2006	179,793	3,258	205.9	67.2	2,064	\$1.8	\$7.2	\$38,211	2.7	55.4	0.48	4.8
2007	183,368	3,105	209.2	68.9	1,903	\$1.9	\$7.5	\$38,100	2.6	56.4	0.51	4.9
2008	186,572	2,731	213.1	70.6	1,837	\$2.0	\$7.8	\$38,181	2.6	57.3	0.53	4.8
2009	189,574	2,515	217.0	72.3	1,736	\$2.1	\$8.2	\$38,346	2.5	57.2	0.56	4.9
2010	192,337	2,252	221.5	73.9	1,880	\$2.2	\$8.6	\$38,697	2.7	57.3	0.60	4.9
2011	195,379	2,503	226.2	75.6	1,926	\$2.3	\$9.1	\$39,022	2.7	57.1	0.63	4.9
2012	198,591	2,644	230.9	77.3	1,992	\$2.4	\$9.5	\$39,292	2.8	57.1	0.67	4.7
2013	202,008	2,821	235.3	79.0	2,034	\$2.5	\$10.0	\$39,519	2.9	57.2	0.71	4.5
2014	205,578	2,954	239.5	80.7	1,996	\$2.6	\$10.6	\$39,652	2.9	57.2	0.74	4.4
2015	209,111	2,900	243.2	82.5	1,956	\$2.7	\$11.1	\$39,758	3.1	57.2	0.78	4.5
2016	212,553	2,797	246.7	84.2	1,886	\$2.8	\$11.6	\$39,812	3.0	57.2	0.81	4.5
2017	215,824	2,618	249.8	86.0	1,765	\$2.9	\$12.2	\$39,854	2.9	57.3	0.84	4.7
2018	218,794	2,313	253.1	87.7	1,916	\$3.0	\$12.7	\$39,995	2.7	57.4	0.88	4.8
2019	222,025	2,573	256.4	89.4	1,985	\$3.1	\$13.3	\$40,103	2.8	57.7	0.91	4.7
2020	225,444	2,765	259.4	91.1	1,950	\$3.2	\$13.9	\$40,139	2.7	57.9	0.96	4.7
2021	228,817	2,725	262.2	92.9	1,882	\$3.3	\$14.4	\$40,159	2.6	58.0	0.99	4.6
2022	232,036	2,579	265.0	94.6	1,930	\$3.4	\$15.1	\$40,221	2.6	58.2	1.01	4.6
2023	235,317	2,649	267.7	96.3	1,863	\$3.5	\$15.7	\$40,242	2.7	58.2	1.03	4.6
2024	238,453	2,513	270.1	98.0	1,729	\$3.6	\$16.4	\$40,345	2.7	58.4	1.06	4.6
2025	241,263	2,198	272.6	99.7	1,743	\$3.7	\$17.2	\$40,658	2.7	58.5	1.09	4.6



El Dorado County Employment Forecast

1995-2004 History, 2005-2025 Forecast

	Total Wage & Salary	Farm	Construction	Manufac- turing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
-----employment (thousands of jobs)-----												
1995	33.4	0.34	2.08	2.03	0.49	5.63	1.56	2.00	0.53	3.38	6.17	7.90
1996	34.4	0.39	2.33	1.97	0.54	5.63	1.40	2.10	0.60	3.64	6.37	8.20
1997	35.7	0.29	2.50	1.93	0.54	5.68	1.40	3.30	0.60	3.79	5.89	8.40
1998	39.0	0.35	2.87	2.03	0.62	6.08	1.48	4.40	0.59	4.03	6.58	8.50
1999	41.5	0.37	3.58	2.23	0.65	6.21	1.66	5.00	0.56	4.22	6.64	8.90
2000	44.1	0.50	4.25	2.33	0.61	6.66	1.89	5.60	0.56	4.43	6.83	8.90
2001	45.6	0.38	4.72	2.37	0.68	6.75	2.25	5.69	0.55	4.63	7.04	9.11
2002	47.4	0.39	4.60	2.30	0.77	6.98	2.98	5.73	0.59	4.89	7.30	9.42
2003	48.5	0.31	4.69	2.40	0.68	7.03	3.18	5.74	0.57	5.27	7.77	9.39
2004	49.3	0.30	4.96	2.44	0.71	7.16	3.21	5.84	0.54	5.50	7.98	9.18
2005	49.9	0.31	4.95	2.49	0.71	7.33	3.24	6.10	0.56	5.74	7.88	9.11
2006	50.9	0.31	4.91	2.52	0.72	7.52	3.26	6.41	0.56	5.99	8.10	9.08
2007	51.9	0.32	4.74	2.54	0.74	7.73	3.28	6.78	0.57	6.32	8.34	9.07
2008	53.4	0.32	4.65	2.55	0.76	7.94	3.31	7.22	0.58	6.72	8.67	9.08
2009	54.6	0.32	4.54	2.57	0.78	8.16	3.34	7.64	0.59	7.10	8.86	9.11
2010	56.2	0.32	4.74	2.59	0.80	8.37	3.38	8.11	0.61	7.47	9.10	9.13
2011	57.8	0.32	4.93	2.62	0.83	8.59	3.42	8.56	0.62	7.81	9.29	9.17
2012	59.4	0.32	5.14	2.64	0.86	8.80	3.47	9.00	0.63	8.14	9.47	9.20
2013	60.8	0.32	5.33	2.65	0.89	9.00	3.50	9.41	0.64	8.44	9.62	9.24
2014	62.0	0.32	5.41	2.65	0.92	9.19	3.52	9.78	0.64	8.75	9.80	9.28
2015	63.1	0.32	5.45	2.65	0.95	9.37	3.54	10.09	0.65	9.05	9.99	9.31
2016	64.2	0.32	5.43	2.66	0.97	9.55	3.56	10.34	0.66	9.36	10.21	9.34
2017	65.1	0.32	5.34	2.67	0.98	9.71	3.57	10.55	0.66	9.66	10.44	9.37
2018	66.3	0.32	5.52	2.67	1.00	9.87	3.60	10.74	0.67	10.01	10.63	9.40
2019	67.4	0.32	5.67	2.68	1.03	10.02	3.62	10.91	0.68	10.40	10.77	9.43
2020	68.2	0.32	5.70	2.68	1.06	10.16	3.64	11.05	0.68	10.78	10.83	9.45
2021	69.1	0.32	5.66	2.69	1.08	10.29	3.66	11.19	0.69	11.18	10.91	9.48
2022	70.1	0.32	5.74	2.70	1.10	10.41	3.69	11.34	0.69	11.61	11.01	9.51
2023	70.9	0.32	5.71	2.72	1.13	10.53	3.70	11.47	0.70	12.04	11.07	9.53
2024	71.6	0.32	5.57	2.73	1.15	10.64	3.72	11.59	0.71	12.47	11.13	9.55
2025	72.4	0.32	5.59	2.75	1.17	10.74	3.76	11.72	0.71	12.90	11.19	9.57

